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The Agricultural Situation

A Brief Summary of



Economic Conditions

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United States Department of Agriculture

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AVERAGE CROPS—DROUGHT AGAIN IN THE WEST

The crop situation now divides itself roughly between the West and the East as a result of the varying rainfall. The Western Plains States have become very dry and corn, small grains, and pastures in much of that region show serious effects. On the other hand, most of the country east of the Mississippi has had ample rainfall and the late crops are promising, except for considerable potato blight resulting from the wet weather.

Feed crop supplies—a very important matter to farmers this year because the barns and granaries had been completely emptied—likewise are divided somewhat along those regional lines. In the eastern Corn Belt the corn crop looks good; oats have threshed out moderately well; the hay mows are filled once more. In parts of the West, however, the feed problem again looms up to worry the stockman.

A large part of the wheat crop has been threshed and the outturn quite generally has proved a disappointment to growers. Rust and bad weather evidently took a heavier toll than most observers had realized. Last month's estimates placed our total wheat crop at about 100,000,000 bushels above the 1934 crop, but later estimates may cut this down. Our supply of hard red spring wheat apparently will be below normal domestic requirements and it is a question whether there will be enough hard red winter and durum to meet our normal use. Apparently, there will be some surplus of the soft wheats.

Wheat is not of high quality this year. Spring wheat coming to market has shown very light weight, receipts at Minneapolis averaging only around 52 pounds per bushel. Consequently, test weight has become a dominant price factor. Winter wheat coming into Kansas City shows a protein content considerably lower than last year.

The foreign market for wheat has been dull so far. Canadian prices have been slightly above last year but Liverpool and Buenos Aires have been lower, the latter despite a poor crop prospect in Argentina.

Our other principal food crops—vegetables, fruit, truck—appear likely to yield an abundant supply. The prospect is for about an average crop of potatoes, rather large crops of sweetpotatoes and beans, a liberal supply of most truck crops, and an unusually heavy output of cannery vegetables.

All told, it appears that the harvest of the principal crops will be about in line with the recent 10-year average. The total acreage harvested will be about 6 percent below average but the yield per acre is enough higher to offset it.

THE WHEAT MARKET SITUATION

Wheat supplies for 1935-36, from present indications, will be materially smaller than during the season just closed. World carry-over stocks of old wheat are about 300,000,000 bushels below a year ago, reflecting a reduction of about that quantity in last season's crop. A part of the reduction in the carry-over may be offset by an increase in the 1935 harvest, although low threshing returns in the United States and reports of increased crop damage in Canada suggest further downward revisions in estimates of the North American harvest which may hold the 1935 Northern Hemisphere crop to only slightly above last season's outturns.

United States wheat supplies are smaller than a year ago, with the reduction in stocks of old wheat greater than the estimated increase in the 1935 harvest.

Prices in domestic markets are slightly lower than last year on most classes of wheat, although good quality spring wheat other than durum is bringing higher prices than last season. Canadian prices are also slightly above those of a year ago, a strengthening influence being serious crop damage in the Prairie Provinces. Argentine and Liverpool prices, on the other hand, are well below a year ago and reflect the slow demand for wheat in normally deficit areas and the fairly large supplies still available.

The United States wheat crop was estimated August 1 at 608,000,000 bushels, compared with 497,000,000 bushels harvested in 1934. Threshing returns, however, show more serious losses from heat and rust than was expected earlier in the season and indicate that final outturns may be considerably below the August 1 estimate. Based upon the August 1 figures, supplies of hard red spring wheat will be under normal utilization of recent years, while supplies of hard red winter and durum are about sufficient for domestic requirements. More soft red winter and white wheats were in prospect than are needed for domestic requirements. Stocks of old wheat carried over at the first of July amounted to about 152,000,000 bushels, which would give a total supply this season, if the August 1 estimate is borne out, of about 760,000,000 bushels compared with 793,000,000 bushels last year and 920,000,000 bushels 2 years ago.

Serious damage to the Canadian spring wheat crop has been confirmed by official reports. Conditions August 1 suggested a crop about 50,000,000 bushels above the 1934 harvest but further serious deterioration has taken place since August 1 and present indications are that outturns may not be greatly different from last season. Stocks of old wheat in Canada at the first of August were about 10,000,000 bushels larger than last season and totaled more than 203,000,000 bushels. Since domestic utilization in Canada amounts to only about 80,000,000 bushels, substantial quantities of Canadian wheat will be available for export during the current season despite the prospective short crop.

Prospects in Europe, exclusive of Russia, are for a harvest around 55,000,000 bushels above last season's crop. Larger harvests are

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reported in Italy, Germany, Czechoslovakia, and the Danube Basin, while smaller crops are in prospect in France, Spain, Portugal, and in the northern countries.

Prospects in the Southern Hemisphere are much less favorable than a year ago. In Argentina, about 50 percent of the wheat zone has been affected by drought and it is estimated that a large percentage of the sown acreage in the drought area has not germinated, so that the present outlook for the coming harvest is rather poor. Rains have benefited the Australian crop but more are needed.

Rapid deterioration of North American crops during July and August brings prospective supplies and trade requirements more prominently into the world situation. Preliminary estimates suggest a reduction of some 300,000,000 bushels in world stocks as of August 1, compared with a year ago. United States and Canadian stocks, including bonded grain, were about 124,000,000 bushels below those of last season. Australian supplies available for export and carry-over were about 38,000,000 bushels less than last season, while Argentine holdings were nearly 31,000,000 bushels under those of a year ago. Stocks of grain on ocean passage were the lowest since the war period and totaled only 17,000,000 bushels, or a little more than half of those of a year earlier. Definite data on carry-over stocks in Europe and north Africa are not yet available but supplies are probably from 90,000,000 to 100,000,000 below the large stocks carried over August 1, 1934.

World demand for wheat remained dull at the beginning of the new crop year. Trade forecasts indicate that world import requirements for the 1935-36 season will be little greater than the quantity shipped during the season just closed, when shipments from the principal exporting countries totaled only 513,000,000 bushels, the smallest world trade in many years. Shipments to Europe last season dropped off about 15,000,000 bushels, while shipments to non-European countries gain about 12,000,000 bushels. Consumption of wheat in the United Kingdom remained about normal but movement to heavy consuming countries of Continental Europe was much below normal. The slack demand from these areas reflected increased local supplies, notably in France, Italy and Germany, together with restrictive regulations and monetary difficulties.

Domestic wheat prices remained well above the world market at the beginning of the 1935-36 season but with the exception of red spring wheats were slightly below a year earlier. The prospective shortage of hard red spring wheat other than durum has advanced prices of this class of wheat to a wider than usual differential over other classes of wheat. On August 21, ordinary protein No. 1 Dark Northern wheat was quoted at Minneapolis at \$1.22 to \$1.24 per bushel, compared with \$1.16 to \$1.19 a year earlier. No. 2 Amber Durum, on the other hand, was quoted at 83½ to 91½ cents, compared with 91 to 95 cents a year ago. Hard winter wheat was selling at Kansas City August 21 at \$1.02 to \$1.05, compared with \$1.06 to \$1.07 a year earlier, while No. 2 Soft Winter was selling at St. Louis at 94 cents, compared with \$1.04 at the corresponding date last year. Test weight rather than protein has become the dominant price factor. Receipts of spring wheat have shown very light test weight, and arrivals at Minneapolis have ranged from 35 to 59 pounds per bushel with the average around 52 pounds. As a result, light weight wheat

is selling at unusually heavy discounts under standard grades, and considerably more grain than usual is required to produce a barrel of flour. The quality of the winter wheat this season is below that of the 1934 crop, with the protein of the wheat tested at Kansas City this season averaging about 1.5 percent lower than last year.

Canadian markets have turned firmer in recent weeks, being influenced by reports of rapid deterioration of the crop in the Prairie Provinces. On August 21, No. 1 Manitoba Northern was quoted at Winnipeg at 87½ cents, compared with 85 cents for the same grade a year ago. Liverpool prices, on the other hand, have reflected the slow demand from importing areas and at the middle of August were about 10 cents per bushel below a year ago. Prices at Buenos Aires were about 6 cents lower than a year ago, despite poor new crop prospects.

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THE WHEAT OUTLOOK

1935 CARRY-OVER EXPECTED TO BE MORE NEARLY NORMAL

With present prospects indicating a carry-over into next season of between 135,000,000 and 150,000,000 bushels, prices during 1936-37 will depend largely upon the outturn of the 1936 crop. While there has been some reduction of seeded acreage in the last few years, the small crops and the relatively high level of prices in the United States compared with Liverpool have been primarily due to low yields for the current and the two previous seasons.

The seeded area in the United States declined from 71,137,000 acres for the crop of 1928 and a 1930-32 average of 65,926,000 acres to 60,371,000 acres for 1934 when planting conditions were very unfavorable. For the current season, the area sown increased to 65,173,000 acres. Planting conditions were more favorable than for the 1934 crop and winter wheat growers were allowed to sow 90 percent of their base acreage in place of 85 percent. Contract signers growing spring wheat, on the other hand, were allowed to plant in excess of 90 percent of their base acreage, such excess to be offset by additional reductions in acreage in 1936 below what would otherwise be permitted in that year.

INCREASED ACREAGE EXPECTED IN 1936

For the 1936 crop contract signers may plant 95 percent of their base acreage. Because of the smaller reduction from the base, the area sown for the 1936 crop may be expected to be somewhat larger than that sown for the current year, and 3 successive years of fairly good market prices may tend to increase somewhat the noncontract acreage. On an area of 66,000,000 acres an average yield of 12.5 bushels per acre (1923-32 average) would result in a crop of 825,000,000 bushels which would be about 200,000,000 bushels in excess of normal domestic utilization. Such a production, if it occurred next year, would probably result in a surplus available for export. Consequently, average yields in 1936 would probably result in United States prices being lower in relation to Liverpool than they have been in the last 2 years, and it is altogether possible that they might result in

Chicago prices averaging about 10 cents below Liverpool for the 1936-37 marketing season.

It seems likely that total supplies for the current season will be considerably less than last year and that prices at Liverpool and the principal exporting countries will average higher. The course of prices will depend in an unusual degree upon the way in which the Canadian surplus is marketed or held, since Canada will have an unusually large share of the world's exportable supplies.

HIGHER WORLD PRICES PROBLEMATICAL

Prices in 1936-37 will depend largely upon production for that season, but world-wide adjustments have not yet gone far enough to assure a continued improvement in world wheat prices. Only in the event of unusual circumstances such as widespread low yields or further currency depreciation is it likely that the 1936-37 average Liverpool price will be greatly above last year's level.

From the Summer Wheat Outlook, B. A. E.

THE TREND OF DAIRY PRODUCTION

FEWER MILK COWS ON FARMS

The number of milk cows on farms on June 1 was about 6 percent below the number on that date last year. In 10 of the States where the drought was most severe the reductions range from 10 to 19 percent. Outside of the drought area, the high price of feed, the high prices obtainable for old cows in recent months, and the disease eradication campaign have helped to decrease numbers. Only New Jersey and Florida report increases.

SMALL NUMBER OF HEIFERS

Looking ahead, it does not seem probable that the number of milk cows will change much during the next 2 or 3 years. The number of heifers being kept for milk cows is unusually low. The estimates for January 1, the latest numerical estimates available, showed that the number of milk cows 2 years old and over was then about 25,100,000, a decrease of 4 percent compared with the previous year, while at the same time the number of yearling heifers being saved for milk cows was estimated at 4,286,000, a decrease of 10.5 percent, and heifer calves being saved for milk cows were estimated at 4,653,000, a decrease of 12 percent, both of the latter classes being lower than in any January since 1928. Reports of June 1 show that up to that time only about the usual proportion of this year's heifer calves from milk cows had been saved.

Old cows have been closely culled during the last 12 months and less culling is now necessary, but recently the farm price of beef cattle has been exceptionally high in comparison with the price of milk cows. The prices of hogs, lambs, and chickens were also relatively high compared with prices of dairy products and milk cows. This is a somewhat temporary situation, because milk production increased rapidly as soon as good pasturage was available, while a much longer time is required for the marketings of meat animals to be correspondingly heavy after the excessive liquidation of the last 12 months.

It is expected, however, that until late in 1936 at least, favorable prices for beef cattle and hogs will tend to prevent any large increase in the number of dairy heifers saved, will tend to reduce the number of beef cows milked, and will tend to cause farmers to cull out nearly the usual proportion of their milk cows.

MILK PRODUCTION ABOUT AVERAGE

During the last few months milk production per cow rose from the lowest point in recent years to about the average level on July 1. With good pasturage available in nearly all important dairy areas, with prospects for about an average supply of feed grain per animal unit, and with slightly more than the usual proportion of the cows fresh in the spring months, production per cow is likely to continue at about an average rate through the summer and early fall.

Even though the number of cows is 6 percent less than a year ago, average production per cow would give a fairly large total volume, about equal to the 1924 to 1933 average supply per capita for that season of the year.

Looking ahead to next winter, prospects point to about an average supply of dairy products in contrast to the short supply of the last winter.

Meat supplies will be short. Under these conditions the prices of hogs, cattle, calves, and poultry are likely to continue to be relatively high in comparison with the price of butterfat. This will tend to limit milk production in the butter producing sections to about the usual level, even though the supply of feed grain is expected to be sufficient to permit fairly liberal feeding.

In the northeastern market milk areas where prices last winter were high enough to cause fairly liberal feeding, there is likely to be a somewhat stronger demand for milk than there was last winter. As the number of milk cows on farms in that area is only about 2 percent less than at this time last year, and as feed prices are expected to be much lower than they were in the last feeding period, milk production there is expected to continue moderately above production in the corresponding months of last season.

From the Summer Dairy Outlook, B. A. E.

THE TREND OF SHEEP PRODUCTION

FEWER LAMBS THIS SEASON

Supplies of lambs for slaughter during the remainder of the present marketing year, up to April 1, 1936, are expected to be smaller than for several years. In view of the small late lamb crop in the Western States, the supply of feeder lambs this year will be much smaller than last year, and lamb feeding probably will be restricted considerably in the fall and winter of 1935-36. With relatively small supplies of lambs and other livestock available for slaughter during the remainder of 1935, and some further improvement in consumer demand probable, lamb prices may advance somewhat in the next few months contrary to their usual seasonal tendency. The small supplies of fed lambs in prospect for next winter are likely to result in higher lamb prices in the 1935-36 fed-lamb season (December 1935 to April 1936) than in the 1934-35 season.

SMALLER WOOL SUPPLY

Wool production in this country in 1935 was smaller than in the previous year and some decrease is expected in foreign wool production. Stocks of wool in all positions in this country at the beginning of July this year were smaller than a year earlier.

Domestic mill consumption of wool in the first half of 1935 was relatively large following the very small consumption in 1934. Although mill consumption in the last half of 1935 is not likely to be as large as in the first half of this year, it probably will be considerably larger than a year earlier, and domestic wool prices are likely to be well maintained during the remainder of the present year.

PRODUCTION DECLINING SINCE 1931

The trend of sheep numbers and of lamb and wool production in this country has been downward since 1931. This downward trend was a result partly of the financial situation in the industry arising from the depression, but largely of the succession of years of deficient rainfall in the western sheep States, which culminated in the disastrous drought of 1934. During these years range conditions were relatively poor and feed production was low, and this has been reflected in fairly heavy death losses, small percentage lamb crops, and decreasing numbers.

NUMBERS MAY INCREASE IN THE WEST

With improved range conditions and increased feed production this year, it is probable that the number of stock sheep in the Western States on January 1, 1936, will be no smaller and may be larger than a year earlier, despite the small lamb crop raised this year. The trend of numbers in the Western States is expected to be upward for several years if feed conditions are fairly favorable, but this upward tendency may be restrained and may actually be stopped, temporarily at least, by the grazing policies that may be inaugurated by the Grazing Administration of the Department of the Interior, under the Taylor Act, for control of grazing on the public domain outside the National Forests, in conjunction with the grazing policies on the forest reserves.

More than any other species of livestock in the Western States, sheep are dependent upon use of the public domain and forest reserves. As a result of the succession of dry years, the range has suffered somewhat, partly from lack of moisture and partly from overgrazing caused by general shortage of range feed. If this period of drought years should be succeeded by a series of years of above-average moisture, as has happened in the past, conditions on the ranges may again become as good as they were from 1925 to 1929. Under such weather conditions and with the permanent improvements that will be possible under both the grazing district and leasing provisions of the Taylor Act, the carrying capacity of the public domain should be considerably increased. But unless such favorable weather conditions prevail, it is highly probable that grazing permits for the forests and for the grazing districts will be cut down and the number of sheep allowed may be considerably smaller than have been maintained from these sources during the last 6 years.

NUMBERS STEADY IN NATIVE-SHEEP STATES

Sheep numbers in the native-sheep States have changed little during the last 5 years, and the lamb crop in those States has shown little fluctuation from year to year, varying in the last 5 years only from 10,603,000 to 10,968,000 head. Under normal conditions there is little reason to anticipate any considerable change in the sheep situation in these States from what it has been for some years.

If, however, the acreage of land devoted to cash crops in all States and the acreage of corn or of all feed grains in the Corn Belt should be permanently reduced as a result of crop-control programs, it is not improbable that much of this acreage will go into permanent pastures or meadows. Such an increase of grass land would tend to encourage the expansion of livestock production, including sheep husbandry, which is best suited for such land.

From the Summer Sheep Outlook, B. A. E.

LIVESTOCK RETURNS BOOST FARM INCOME

As the peak of the marketing year for agricultural products approaches, indications are that larger marketings of crops may be more than offset by the smaller movement of livestock and livestock products to market. On the other hand, the demand for farm products in the last half of 1935, as measured by industrial activity and industrial workers' incomes, promises to average somewhat higher than a year ago. Thus, smaller marketings of farm products may be more than offset by increased demand for them in the last of 1935, resulting in a moderate increase in farm income. Furthermore, crop output is much more normally distributed throughout the country than it was in 1934. This should provide a more even distribution of farm income and a more normal movement of farm products to market than prevailed during the last year.

MORE MONEY FROM LIVESTOCK—LESS FROM CROPS

During the first 6 months of 1935, cash income from farm marketings in the United States totaled \$2,670,000,000, compared with \$2,466,000,000 for the same period of 1934. Income from livestock and livestock products was \$1,699,000,000 or more than \$300,000,000 larger than in the first 6 months of 1934; whereas, income from the sale of crops was over \$100,000,000 less than in the corresponding period of 1934. In addition to income from the sale of farm products, farmers received \$285,000,000 in rental and benefit payments during the first half of 1935, compared with only \$149,000,000 from January to June 1934. Thus, total income from marketings and rental and benefit payments in the first half of 1935 was \$2,955,000,000, compared with \$2,615,000,000 in the first half of 1934.

The improvement in income from livestock and livestock products will probably continue through the last half of 1935, although the increase over 1934 may not be as great as in the first half of the year. The movement of meat animals to market will be considerably smaller than in 1934 when there were unusually heavy marketings on account of the drought, but the higher prices being received by farmers will probably more than offset the smaller supplies.

Conditions have been much more favorable for dairy production in recent months and production has increased; nevertheless, prices for dairy products during the remainder of the year may not be greatly different from last year. The production of poultry and eggs is averaging slightly higher than a year ago and prices have shown considerable improvement.

During the last half of 1934, prices of farm products advanced sharply and an unusually large proportion of the short supplies produced last year moved to market during the first part of the crop marketing year. This tended to maintain the level of income from crops in the last 6 months of 1934, even though production was greatly reduced. Although prices of many farm products have been adjusted to the larger supplies in prospect this year, some further adjustments may take place.

Marketings during the latter part of 1935 will probably be more nearly normal than they were in the last half of 1934, so that lower prices for many crops, together with smaller proportions being marketed, may result in income from crops during the last half of 1935 being about the same or slightly less than in the last half of 1934.

BENEFIT PAYMENTS ABOUT LIKE LAST YEAR

Although rental and benefit payments during the first half of the year were considerably larger than in the first half of 1934, total payments for the year will not be materially different than a year earlier. Consequently, payments during the last half of the year will be somewhat smaller than a year ago. The decline in rental and benefit payments will tend to offset the anticipated increase in income from livestock and livestock products, so that total income during the last half of 1935 may be only slightly larger than in the last half of 1934.

To sum up, the prospective marketings and demand conditions for farm products indicate a total of cash income from farm marketings and from rental and benefit payments of about \$6,700,000,000 during the year 1935, compared with \$6,387,000,000 in 1934 and \$4,328,000,000 in 1932, the latter a low point in farm income during the depression.

COMPARISONS WITH OTHER YEARS

Estimates of cash income from farm marketings on a calendar year basis from 1924 through 1935, including rental and benefit payments, payments for the exercise of cotton options and for the emergency purchases of livestock in drought areas by the Agricultural Adjustment Administration, are as follows:

1924.....	\$9, 785, 000, 000	1930.....	\$8, 451, 000, 000
1925.....	10, 324, 000, 000	1931.....	5, 899, 000, 000
1926.....	9, 993, 000, 000	1932.....	4, 328, 000, 000
1927.....	10, 016, 000, 000	1933.....	5, 117, 000, 000
1928.....	10, 289, 000, 000	1934.....	6, 387, 000, 000
1929.....	10, 479, 000, 000	1935.....	¹ 6, 700, 000, 000

These estimates of cash income should not be confused with the estimates released elsewhere by the Bureau of Agricultural Economics on cash income from farm production. The above estimates of cash income from farm marketings are the sum of the 12 monthly estimates of cash receipts from farm products actually sold during the calendar

¹ Tentative estimate.

year, while the estimates of cash income from farm production represent the income from products produced for sale during the calendar year but which may be marketed over a 2- or 3-year period.

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TRUCK CROPS IN LIBERAL SUPPLY

Crop conditions in late summer indicated a moderate abundance of potatoes, sweetpotatoes, and field beans this season, and a liberal, perhaps excessive, supply of most truck crops, including an unusually heavy output of cannery vegetables. Fruits seem likely to be at least an average crop of irregular market quality, excepting a rather light production of oranges and grapefruit. Prices of nearly all fruits and vegetables in late August were lower than last year and still declining. Potatoes by the mid-August forecast promised 2 percent smaller production than last year but 4 percent above average.

The main onion crop showed probable increases of nearly 4,000,000 sacks of 50 pounds, which is about 2,500,000 above average. Acreage of late cabbage has decreased 5 to 6 percent but plantings are still above average and the good condition suggests production possibly one-third above average. Production of late tomatoes may be 23 percent above last year and 19 percent above average. Cantaloups in Northern States are nearly double the output of last season but still below the 5-year average. Melon production gained 19 percent this season, including the 8 percent gain for the late crop. Cucumber output increased nearly 50 percent in New York and Michigan. Carrots have slightly smaller acreage this season but production is probably a little larger than a year ago. Late celery acreage has decreased slightly. The late crop of snap beans shows 13 percent increase compared with last season.

SHIPMENTS MAY INCREASE

September produce shipments usually increase moderately as compared with the August car-lot movement, and the weight shifts to northern crops. Melons, peaches, and early vegetables dwindle but there are usually one-third more potatoes moved in September and 2 to 3 times as many cars of sweetpotatoes, onions, cabbage, celery, tomatoes, apples, pears, and grapes. August was a light shipping month for the time of year, mainly because of low prices and liberal home-grown supplies in most parts of the country. The same conditions seem likely to hamper distant shippers in September and October.

Usual heavy shipping features of September are potatoes from the entire northern belt, usually some 15,000 cars; apples, mainly from the Pacific Northwest, New York, Michigan, and the Virginias, more than 4,000 cars; and nearly that number of carloads of pears, mostly western. Onion shipments also approach the 4,000 car figure and there may be as many as 10,000 cars of grapes, largely from California. The cabbage crop is large enough to supply easily 3,000 carloads, mostly from New York and the Middle West. Various lines below 1,000 carloads complete the month's quota, usually amounting to 50,000 cars or more.

MODERATE POTATO CROP

Potatoes, despite small cuts in acreage and yield and some blight in the East, still promise production above the 5-year average, although less than last year, by 9,000,000 bushels, or 2 percent. The crop in Maine seems rather light, about three-fourths of last year's production. New York is about average, the Midwest and West are generally above average of crop promise at this time.

There was considerable blight in the East, which means rot later on. Fertilizing, cultivation, and spraying seems to have been somewhat neglected here and there. The main crop is still late in most northern potato sections and might be caught by an early frost. The 30 late States are rated 8,000,000 bushels less than last year, but 14,000,000 more than the 5-year average. Crop development during September and October will be watched with keen interest because for the last 2 years these months have decided the tone of the potato markets for the rest of the season. August drought reduced the potato crop prospects in Nova Scotia, Prince Edward Island, and New Brunswick. In late August, prices in eastern and midwestern markets, at 60 cents to \$1 per 100 pounds, averaged 25 cents lower than a year ago.

Prices of eastern and midwestern yellow onions had declined about 15 percent from the season's opening in mid-July up to the last week of August, without signs of recovery. Supplies were moderate but the slow demand and the prospect of increased production has held the market price level somewhat below that of last season.

APPLE YIELD INCREASED

The market output of apples is likely to be larger than average. Increases over last season's light crop are general except in the Northwest. The crop in the Northeast is below the 5-year average although larger than that of last season. About three-fifths of the market production—a larger proportion than usual—is in the East, South, and Middle West, and this part of the crop shows much scab and other defects. The conditions at present scarcely suggest high prices for apples except possibly for the best grades. Prices of early apples, mostly 50 cents to \$1 a bushel, have been lower than they were last season but production was heavy and sizes so small among the early varieties that the market action of early apples may not be so good an indication as usual for the main crop market.

Pears are a lighter crop this season and should sell fairly well; also the small crop of late eastern peaches. The prices of peaches made sharp gains after the southern shipping season had passed but the advance was not fully maintained. More than average production of grapes is in sight and quality is reported probably good. Oranges will not be so plentiful next season and will crowd northern fruits less severely in the market.

Fruits promise mostly better-than-average yield and irregular market quality. They hardly can be expected to sell high for the general run of the crop, unless the export trade takes a fair share of the surplus. Late reports show poor yield and market quality in many parts of Europe but foreign trade restrictions still hamper shipments and Federal requirements demand careful grading to pass inspection. Apple, pear, and plum exports were selling quite well during August in the English markets.

Most of the vegetables are too abundant this season to sell high. Potatoes do not show enough reduction now to indicate any large upswing of prices. The best part of the situation from a market point of view seems to be the recent upward trend of business activity which means better demand and a tendency to higher prices.

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EGG AND POULTRY MARKETS SUMMARY

The egg markets in August generally followed a steady and conservative course. Prices began to move upward in late July and early August but so far this upward movement has been gradual. The advance this year started about two weeks later than that of a year ago, principally as a result of the continued moderately heavy receipts of fresh eggs from the Middle West. The usual seasonal trend of prices is to rise from now with only minor interruptions until sometime in November when the peak for the current season is usually reached. Some observers look for a greater-than-usual seasonal advance during this period but such an opinion is not given unanimous support.

The outlook for the markets during the next few months is not distinctly clear. It is generally agreed that consumer demand will show an improvement between now and the end of the year. Stocks of storage eggs in the shell are with the exception of 1932, the smallest in years but stocks of frozen eggs, while less than last year, are in excess of the 5-year average. As an offsetting influence, fresh egg production during the fall and winter will undoubtedly be larger than that of a year earlier. Although at the present time the number of layers in farm flocks is smaller than at this time last year, the shortage is being gradually eliminated as farmers are culling out their old hens less drastically than usual.

Marketings of hens will likely be light for the rest of the season; a year ago they were very heavy, particularly in the Middle West where the drought and lack of feed forced almost complete liquidation of flocks in some areas. More pullets were raised this year and most of them have been kept back for the laying flocks. The feed situation is more favorable from the standpoint of the poultry industry and a policy of heavier feeding will be followed this fall and winter.

The probability of a firm egg market, at least until the beginning of the new production season is supported by the storage situation on shell eggs. On August 1 shell eggs in storage amounted to 7,940,000 cases, which, with the exception of 1932, were the smallest for that date since 1921. These stocks were approximately 1,021,000 cases smaller than the stocks on August 1 last year and 1,180,000 cases less than the 5-year average. The report on stocks of frozen eggs in storage, however, was not quite so optimistic. The increase in stocks of frozen eggs in June and July this year amounted to approximately 32,000,000 pounds, compared with about 28,000,000 pounds during the same period last year and about 14,000,000 pounds for the 5-year average. The total quantity of frozen eggs in storage on August 1, this year, amounted to 116,224,000 pounds, which, while approximately 5,000,000 pounds less than the stocks of August 1, last year, were about 5,000,000 pounds in excess of the 5-year average.

Poultry markets in August were featured by unusually small receipts of dressed poultry at the four markets of Chicago, New York, Philadelphia, and Boston and of live poultry at the primary markets in the Middle West. In most cases, prices showed a contra-seasonal upward movement, particularly on spring chickens. Supplies of live spring chickens of the broiler and fryer age during the last 2 months have been large but with the season of heavy commercial hatches now over and with most of the pullets being held for egg producing purposes, the supply of these sizes sent to storage this year will not be nearly so large as that of a year earlier. This means an improved outlook for the winter broiler industry. On the other hand, more chickens will be grown to the roasting stage this fall, and the supply of roasters for the fall and winter markets will likely be substantially larger than that of the same period last year.

The report on the quantity of frozen poultry in storage on August 1 was considered as a basis of optimism for the forthcoming into-storage deal. Total stocks of frozen poultry on that date amounted to 41,177,000 pounds, a decrease of approximately 3,700,000 pounds from the stocks of August 1, 1934. Although the current stocks were about 1,000,000 pounds greater than the 5-year average for August 1, this differential was quite a sharp decline from an excess of about 6,000,000 pounds on July 1.

Stocks of turkeys in storage on August 1 amounted to 11,654,000 pounds, which were still large in comparison with the 6,648,000 pounds reported in storage on the same date last year and the 5,400,000 pounds reported for the 5-year average. The light stocks of other classes of poultry may help to clear up this discouraging situation before the 1935 turkey crop begins to move to market in any appreciable quantities.

B. H. BENNETT,
Division of Dairy and Poultry Products.

SUMMARY OF DAIRY STATISTICS

[Millions of pounds; 000,000 omitted]

PRODUCTION

Product	July			January to July, inclusive		
	1935	1934	Percent change	1935	1934	Percent change
Creamery butter.....	186	175	+6.5	990	1,011	-2.1
Cheese.....	69	65	+6.4	325	343	-5.3
Condensed milk.....	23	20	+14.1	156	141	+10.5
Evaporated milk ¹	209	190	+10.4	1,275	1,064	+19.8
Total milk equivalent..	5,111	4,782	+6.9	27,181	27,304	-.5

APPARENT CONSUMPTION

[Including production, changes in stocks, and net imports or exports]

Creamery butter.....	133	136	-2.3	909	1,013	-10.3
Cheese.....	52	49	+6.8	359	345	+4.1
Condensed milk.....	21	16	+31.7	140	128	+8.8
Evaporated milk ¹	155	134	+15.7	1,071	1,048	+2.2
Total milk equivalent..	3,708	3,682	+.7	25,330	27,298	-7.2

¹ Case goods only.

DOMESTIC DAIRY MARKETS REVIEW

Favorable conditions which prevailed in most dairy sections during July, and which to some extent have continued since then, are reflected in the record make of creamery butter and the heavy production of other dairy products during the month. The peak for the season was reached earlier but the abundance of feed afforded by good pastures resulted in such increases in production per cow as to more than offset reduced cow numbers. Increased production, however, without a corresponding pick-up of consumption, has resulted in reserve stocks of dairy products, which on the whole are unusually heavy.

Estimated creamery butter production in July was 186,278,000 pounds, a new all-time high record for that month, the nearest approach to which occurred in 1929. This increase of 6.5 percent above July 1934, along with the 7.6 percent increase which occurred in June, cuts the calendar year reduction to August 1 down to but 2 percent under the corresponding period of 1934. In terms of volume, this is only a reduction of 21,000,000 pounds, whereas, at the end of May the reduction for the 5 months was 46,000,000 pounds below last year. The only States which showed a reduction in July under a year earlier were Nebraska, North Dakota, Montana, New York, Colorado, Utah, and California. The greatest increase occurred in Wisconsin, with a gain of 3,500,000 pounds, or 19.6 percent over July 1934.

Cheese production in July was also 6.5 percent above that of a year earlier, and the calendar year decrease under 1934 is now only 18,000,000 pounds, or 5.3 percent. Here again, there was a large gain over last year in Wisconsin, amounting to almost 3,000,000 pounds. Except for a New York reduction, and a slight decrease in the Mountain States, production of cheese in all other areas was greater in July this year than last.

The pack of canned milk was exceptionally heavy in July. Evaporated milk set a new high record for the month, with an estimated pack of 209,278,000 pounds, an increase of 10.4 percent over July 1934. The production of this class of goods has been very heavy this year, the increase during the first 7 months up to August 1 being close to 200,000,000 pounds, or 20 percent, above the corresponding period of 1934. Condensed milk production during the same time increased 10 percent. Production of all of the foregoing products combined on a milk equivalent basis is approximately the same for the calendar year to date as it was last year.

One of the outstanding results of this season's dairy development is the stocks situation. As already pointed out, butter production has picked up materially, but since consumption has not only failed to absorb this increase but has actually dropped below that of last year, there is a heavy surplus in storage. Total storage stocks of butter on August 1 were 149,464,000 pounds, an increase of 41,000,000 pounds above August 1, 1934, and 23,500,000 pounds above the average of the last 5 years on that date. Only twice before, in 1929 and 1933, were August 1 stocks of butter heavier than this year, and then by only 1 to 2 million pounds. Contrary to the belief of some, this year's stocks of butter do not include any butter held by the Government for relief distribution, since the present governmental

policy is to move purchases of butter, and cheese also into consumption as they become available for shipment.

In the case of evaporated milk, this year's stocks on August 1, amounting to 339,978,000 pounds, exceeded by more than 50,000,000 pounds the previous all-time high record reached on July 1. The August 1 figure last year was only 205,545,000 pounds, and the average of the last 5 years was only 219,639,000 pounds. Part of the recent record carry-over is the result of lighter stocks of evaporated milk in the hands of wholesale grocers, who have bought sparingly during recent months in anticipation of the price reduction which has already taken place as well as any other which might possibly occur.

The quantities of American cheese in cold storage are about average but are considerably less than last year, the August 1 total being 82,324,000 pounds, compared with 97,018,000 a year ago. Reduced to a milk equivalent basis, this year's August 1 stocks of the above products were about one-fourth greater than last year.

Prices of fluid milk were lowered in a few markets this month but for the most part remained the same as in July. One of the markets was Boston, where increased supplies resulted in some underpriced milk being on the market. Wholesale butter prices have made slight gains during the month and will average slightly above July. Since the first of August, when the current year's butter price was $1\frac{1}{2}$ cents below a year earlier, the difference has increased, and for a brief period was as wide as 3 cents. It will be recalled that in late August of last year butter prices broke sharply, going in early September to below the June level. Such a change at this season of the year is unusual, so that if this year's prices remain steady, or advance, they will be above last year in the course of the next 2 weeks.

Cheese prices advanced 1 cent per pound on Wisconsin Cheese Boards, Friday, August 23, making them about 2 cents above a year ago. Since early in July, cheese prices have been well above corresponding periods of 1934. Selling prices of evaporated milk were reduced an average of 20 cents per case in July but even with this cut they were still above a year earlier.

Aside from the production trend, which is of unusual interest at this time, the butter consumption situation remains of continuing importance. Trade output of butter, which in June was 3.6 percent less than in 1934, was down again in July by 2.3 percent. For the 7 months' period, the reduction was 10.3 percent under last year amounting to 104,000,000 pounds. Cheese and canned milk are now on the increase, and from January to July, inclusive, cheese showed an increase of 4.1 percent, condensed milk 8.8 percent, and evaporated milk 2.2 percent.

L. M. DAVIS,

Division of Dairy and Poultry Products.

SECURITY FOR NON-REAL-ESTATE FARM LOANS

The security requirements for farm loans vary widely according to the type of agency through which the credit is arranged. The Farm Credit Administration's loans in the non-real-estate field quite uniformly require security for advances. Virtually all types of short-

term credit represented by loans from the regional agricultural credit corporations, the agricultural credit corporations, and production credit associations carry some form of collateral. This security practice is indicated by the following table, which shows by districts the percentage distribution of loans to and discounts for financing institutions outstanding June 30, 1935, classified on the basis of the type of collateral securing the note, and the main source of the borrower's income, and the purpose of the loan.

Livestock loans represent 52 percent by this classification, crops 25 percent, and other classifications 23 percent. In the four western districts represented by the Omaha, Wichita, Houston, and Spokane banks, livestock constituted the basis for more than 70 percent of the loans, while in the Southern States covered by the Columbia and New Orleans banks, crops represented more than 90 percent of the loans. The St. Paul district had 90 percent of its loans based on general farming, largely due to dairy loans. The institutions with which the credits originated make varying use of the different forms of security. Regional agricultural credit corporations had two-thirds, and other financing institutions had three-fourths of their loans secured by livestock, while production credit associations had about one-third each on livestock, crops, and other collateral.

Table 1.—FEDERAL INTERMEDIATE CREDIT BANKS
LOANS TO AND DISCOUNTS FOR FINANCING INSTITUTIONS, OUTSTANDING
JUNE 30, 1935

Federal intermediate credit bank	Total	Livestock	Crops	General farming	Bonds and unclassified
	Percent	Percent	Percent	Percent	Percent
Springfield.....	100	7.9	49.7	31.6	10.8
Baltimore.....	100	22.9	34.5	23.8	18.8
Columbia.....	100	1.7	93.2	.1	5.0
Louisville.....	100	17.6	21.7	53.9	6.8
New Orleans.....	100	6.1	92.1	.1	1.7
St. Louis.....	100	39.1	39.0	17.0	4.9
St. Paul.....	100	4.6	.5	90.5	4.4
Omaha.....	100	81.5	(¹)	16.1	2.4
Wichita.....	100	79.1	4.9	13.3	2.7
Houston.....	100	88.0	.2	10.3	1.5
Berkeley.....	100	71.6	25.8	.6	2.0
Spokane.....	100	85.8	7.0	5.4	1.8
Total.....	100	52.1	24.5	19.7	3.7
P. C. A.....	100	36.7	34.1	22.8	6.4
R. A. C. C.....	100	67.6	(¹)	32.4	-----
Other financing institutions.....	100	75.9	15.0	9.1	-----
Total.....	100	52.1	24.5	19.7	3.7

¹ Less than 1/10 of 1 percent.

Based on data from Farm Credit Administration.

Contrasted with this comparatively uniform procedure of the Farm Credit Administration may be cited the practice of commercial banks. These agencies, which continue to be the principal source of short-term farm credit, had security on only 45 percent of the loans outstanding in 1931, while a total of 55 percent of the loans were without collateral. Unsecured loans, representing 33 percent of the total, were made on the plain notes of the borrowing farmers, while 23 percent had notes with one or more endorsers. Secured loans, constituting the remaining 45 percent of all loans, rested mainly on livestock collateral which represented 28 percent, while crops secured 8 percent of all loans, stocks and bonds about 3 percent, equipment 2.3 percent, warehouse receipts less than 1 percent, and other collateral 2.5 percent.

Geographic comparisons show that the practice of using plain notes applies to over half of the total credits in the East North Central and Pacific groups; while in New England, Middle Atlantic, and South Atlantic States, endorsed notes account for more than one-half of the total credits.

The character of collateral for secured loans varies in part with the type of farming in respective parts of the country. The Mountain States had more than 60 percent of all loans secured by livestock, while in the West North Central States livestock loans were 43 percent of the total and in the West South Central division, 39 percent. Loans on crops are most important in the West South Central where 27 percent take this form. Securities formed 12 percent of the collateral for loans in New England and were next important in the Middle Atlantic and South Atlantic States, with 6 percent and 7 percent, respectively.

The contrast in security policy of these two classes of agencies has special interest, since the distribution of the total credits held by the respective institutions is essentially the same for the principal parts of the country.

Table 2.—SECURITY OF NON-REAL-ESTATE LOANS TO FARMERS BY COMMERCIAL BANKS, JUNE 30, 1931

Geographic division	Total percent	Loans not secured by collateral		Loans secured by collateral						
		Unendorsed	Endorsed	Crops	Livestock	Equipment	Warehouse receipts	Stocks, bonds, etc.	Other collateral	
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	
New England.....	100	22.5	52.3	0.7	8.4	0.4	1.2	11.7	2.8	
Middle Atlantic.....	100	25.6	59.3	.4	3.6	1.5	.1	6.7	2.8	
East North Central.....	100	51.6	33.4	.9	7.3	1.6	.1	2.7	2.4	
West North Central.....	100	35.5	10.3	4.3	43.2	3.3	.2	1.1	2.1	
South Atlantic.....	100	13.2	52.4	12.9	6.3	.9	3.2	6.4	4.7	
East South Central.....	100	19.3	41.4	17.6	11.6	1.1	1.9	4.1	3.0	
West South Central.....	100	15.4	10.3	27.2	38.7	3.3	.9	1.3	2.9	
Mountain.....	100	20.7	4.0	7.7	61.3	2.0	.7	2.4	1.2	
Pacific.....	100	53.6	5.8	10.6	20.1	1.5	.9	4.8	2.7	
United States.....	100	32.7	22.9	8.1	27.9	2.3	.7	2.8	2.5	

Table 3.—AGRICULTURAL LOANS OUTSTANDING: BY LENDING AGENCY ¹

[Millions of dollars]

End of year or month	Farm mortgage loans to farmers by—					Federal intermediate credit bank loans to—	
	39 life insurance companies	Member banks	Federal land banks ²	Land bank commissioner	Joint stock land banks ³	Regional and production credit ⁴	All other institutions ⁵
1929.....	1, 579	388	1, 198	-----	627	-----	-----
1930.....	1, 543	387	1, 190	-----	591	-----	-----
1931.....	1, 503	359	1, 168	-----	537	-----	-----
1932.....	1, 402	356	1, 128	-----	459	-----	-----
1933.....	1, 234	⁶ 318	1, 232	70. 7	392	73	76
1934:							
March.....	1, 164	⁶ 298	1, 458	237. 9	349	86	71
June.....	1, 101	⁶ 288	1, 631	378. 5	320	127	71
September.....	1, 023	-----	1, 792	516. 3	290	118	73
October.....	1, 001	⁶ 266	1, 829	551. 9	280	105	83
November.....	971	-----	1, 866	587. 3	271	101	88
December.....	950	⁶ 262	1, 915	616. 8	261	100	90
1935:							
January.....	932	-----	1, 923	643. 3	251	100	88
February.....	917	-----	1, 945	664. 9	243	103	87
March.....	898	⁶ 263	1, 975	686. 6	230	115	86
April.....	883	-----	1, 976	696. 8	223	124	86
May.....	868	-----	1, 998	716. 2	215	130	57
June.....	855	⁶ 259	2, 017	733. 5	208	131	58
July.....	844	-----	2, 024	742. 9	-----	129	64

End of year or month	Production credit associations	Regional agricultural credit corporations	Emergency crop loans	Emergency drought loan offices	Loans to cooperatives	
					Banks for cooperatives, including central banks	Agricultural Marketing Act revolving fund
1929.....	-----	-----	3	-----	-----	15
1930.....	-----	-----	5	-----	-----	137
1931.....	-----	-----	53	-----	-----	155
1932.....	-----	24	90	-----	-----	158
1933.....	0. 03	145	90	-----	19	158
1934:						
March.....	4. 4	145	68	-----	16	68
June.....	38. 5	138	91	-----	21	55
September.....	60. 9	107	91	15	23	55
October.....	58. 1	97	83	22	25	57
November.....	58. 3	91	78	27	25	57
December.....	61. 2	87	78	32	28	55
1935:						
January.....	64. 6	85	77	40	28	54
February.....	71. 2	82	76	50	29	50
March.....	85. 8	80	75	60	28	50
April.....	97. 4	78	95	67	30	50
May.....	105. 1	77	124	70	32	47
June.....	109. 9	73	126	71	24	49
July.....	113. 0	69	127	71	25	49

¹ Data for life insurance companies from Association of Life Insurance Presidents; data for member banks from Federal Reserve Board; other data from Farm Credit Administration.

² Unpaid principal; data previously shown were unmatured principal.

³ Includes loans outstanding of joint-stock land banks in receivership.

⁴ Regional agricultural credit corporations and production credit associations. Some of the loans made by the regional agricultural credit corporations and all of the loans made by the production credit associations are rediscounted with the Federal intermediate credit banks. The amounts in this column are thus included in the columns headed "Production credit associations" and "Regional agricultural credit corporations."

⁵ Includes agricultural credit associations, livestock loan companies, and commercial banks.

⁶ Licensed banks only.

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Division of Agricultural Finance.

PRICES OF FARM PRODUCTS

Estimates of average prices received by producers at local farm markets based on reports to the division of crop and livestock estimates of this Bureau. Average of reports covering the United States weighted according to relative importance of district and State.

Product	5-year average, August 1909-July 1914	August average, 1909-13	August 1934	July 1935	August 1935	Parity price, August 1935
Cotton, per pound.....cents..	12.4	12.3	13.1	11.9	11.5	16.0
Corn, per bushel.....do.....	64.2	70.9	72.7	82.4	80.8	82.8
Wheat, per bushel.....do.....	88.4	89.5	89.6	76.4	81.5	114.0
Hay, per ton.....dollars.....	11.87	11.35	12.50	8.88	7.90	15.31
Potatoes, per bushel.....cents..	69.7	84.0	68.0	52.0	50.3	97.5
Oats, per bushel.....do.....	39.9	40.9	45.8	32.2	26.9	51.5
Beef cattle, per 100 pounds.....dollars..	5.21	5.08	3.72	6.20	6.28	6.72
Hogs, per 100 pounds.....do.....	7.22	7.30	4.61	8.40	10.22	9.31
Chickens, per pound.....cents..	11.4	11.7	11.4	14.0	14.1	14.7
Eggs, per dozen.....do.....	21.5	18.1	17.2	21.7	22.7	23.8
Butter, per pound.....do.....	25.5	23.8	23.0	24.1	24.5	31.3
Butterfat, per pound.....do.....	26.3	24.1	24.3	22.3	22.9	31.6
Wool, per pound.....do.....	17.6	17.5	20.4	20.5	20.0	22.7
Veal calves, per 100 pounds.....dollars..	6.75	6.59	4.55	6.75	7.11	8.71
Lambs, per 100 pounds.....do.....	5.87	5.51	5.02	6.26	6.47	7.57
Horses, each.....do.....	136.60	137.30	68.80	89.00	87.90	176.20

¹ Adjusted for seasonality.

COLD-STORAGE SITUATION

[Aug. 1 holdings, shows nearest millions; i. e., 000,000 omitted]

Commodity	5-year average, 1930-34	Year ago	Month ago	August 1935
Frozen and preserved fruits.....pounds..	84	76	65	82
40-percent cream.....40-quart cans..	¹ 261	¹ 170	¹ 241	¹² 252
Creamery butter.....pounds.....	126	109	96	² 149
American cheese.....do.....	82	97	64	² 82
Frozen eggs.....do.....	112	122	108	116
Shell eggs.....cases.....	¹ 9,120	¹ 8,961	¹ 7,595	¹ 7,940
Total poultry.....pounds.....	40	45	47	41
Total beef.....do.....	47	62	56	50
Total pork.....do.....	692	644	445	370
Lard.....do.....	158	209	85	69
Lamb and mutton, frozen.....do.....	2	2	2	2
Total meats.....do.....	814	785	556	471

¹ 3 ciphers omitted.

² Does not include 3,103 20-qt. cans of 82-percent plastic cream.

³ Figures for Aug. 1, 1935, do not include butter or cheese held by the Agricultural Adjustment Administration or the Federal Surplus Relief Administration. Under the present policy of these agencies purchases of butter and cheese are moved into consumption as they become available for shipment.

GENERAL TREND OF PRICES AND WAGES

[1910-14=100]

Year and month	Wholesale prices of all commodities ¹	Industrial wages ²	Prices paid by farmers for commodities used in ³ —			Farm wages	Taxes ⁴
			Living	Production	Living-production		
1910.....	103	-----	98	98	98	97	-----
1911.....	95	-----	100	103	101	97	-----
1912.....	101	-----	101	98	100	101	-----
1913.....	102	-----	100	102	101	104	100
1914.....	99	-----	102	99	100	101	101
1915.....	102	101	107	104	105	102	110
1916.....	125	114	124	124	124	112	116
1917.....	172	129	147	151	149	140	129
1918.....	192	160	177	174	176	176	137
1919.....	202	185	210	192	202	206	172
1920.....	225	222	222	174	201	239	209
1921.....	142	203	161	141	152	150	223
1922.....	141	197	156	139	149	146	224
1923.....	147	214	160	141	152	166	228
1924.....	143	218	159	143	152	166	228
1925.....	151	223	164	147	157	168	232
1926.....	146	229	162	146	155	171	232
1927.....	139	231	159	145	153	170	238
1928.....	141	232	160	148	155	169	239
1929.....	139	236	158	147	153	170	241
1930.....	126	226	148	140	145	152	238
1931.....	107	207	126	122	124	116	218
1932.....	95	178	108	107	107	86	189
1933.....	96	171	109	108	109	80	160
1934.....	109	182	122	125	123	90	⁵ 151
1934							
June.....	109	182	122	121	121	-----	-----
July.....	109	181	-----	-----	122	90	-----
August.....	112	184	-----	-----	125	-----	-----
September.....	113	182	123	129	126	-----	-----
October.....	112	181	-----	-----	126	93	-----
November.....	112	180	-----	-----	126	-----	-----
December.....	112	185	122	131	126	-----	-----
1935							
January.....	115	188	-----	-----	126	86	-----
February.....	116	189	-----	-----	127	-----	-----
March.....	116	193	124	131	127	-----	-----
April.....	117	191	-----	-----	127	94	-----
May.....	117	189	-----	-----	127	-----	-----
June.....	116	189	124	130	127	-----	-----
July.....	116	188	-----	-----	126	99	-----

¹ Bureau of Labor Statistics Index with 1926=100, divided by its 1910-14 average of 68.5.² Average weekly earnings, New York State factories. June 1914=100.³ These indexes are based on retail prices paid by farmers for commodities used in living and production reported quarterly for March, June, September, and December. The indexes for other months are straight interpolations between the successive quarterly indexes.⁴ Index of farm real estate taxes, per acre, 1913=100.⁵ Preliminary.

GENERAL TREND OF PRICES RECEIVED AND PAID

Year and month	Index numbers of farm prices [August 1909-July 1914=100]								Prices paid by farmers for commodities bought ¹	Ratio of prices received to prices paid
	Grains	Cotton and cottonseed	Fruits	Truck crops	Meat animals	Dairy products	Chickens and eggs	All groups		
1910-----	104	113	101	-----	103	99	104	102	98	104
1911-----	96	101	102	-----	87	95	91	95	101	94
1912-----	106	87	94	-----	95	102	100	100	100	100
1913-----	92	97	107	-----	108	105	101	101	101	100
1914-----	102	85	91	-----	112	102	106	101	100	101
1915-----	120	77	82	-----	104	103	101	98	105	93
1916-----	126	119	100	-----	120	109	116	118	124	95
1917-----	217	187	118	-----	174	135	155	175	149	117
1918-----	227	245	172	-----	203	163	186	202	176	115
1919-----	233	247	178	-----	207	186	209	213	202	105
1920-----	232	248	191	-----	174	198	223	211	201	105
1921-----	112	101	157	-----	109	156	162	125	152	82
1922-----	106	156	174	-----	114	143	141	132	149	89
1923-----	113	216	137	-----	107	159	146	142	152	93
1924-----	129	212	125	150	110	149	149	143	152	94
1925-----	157	177	172	153	140	153	163	156	157	99
1926-----	131	122	138	143	147	152	159	145	155	94
1927-----	128	128	144	121	140	155	144	139	153	91
1928-----	130	152	176	159	151	158	153	149	155	96
1929-----	120	144	141	149	156	157	162	146	153	95
1930-----	100	102	162	140	133	137	129	126	145	87
1931-----	63	63	98	117	92	108	100	87	124	70
1932-----	44	47	82	102	63	83	82	65	107	61
1933-----	62	64	74	105	60	82	75	70	109	64
1934-----	93	99	100	104	68	96	89	90	123	73
1933										
March-----	36	48	65	92	56	71	56	55	100	55
1934										
July-----	91	99	113	102	66	93	76	87	122	71
August-----	106	107	101	108	68	97	86	96	125	77
September-----	112	110	93	133	82	99	104	103	126	82
October-----	109	107	98	110	74	100	108	102	126	81
November-----	109	107	94	107	72	105	125	101	126	80
December-----	116	109	85	130	73	107	119	101	126	80
1935										
January-----	115	108	87	117	96	112	114	107	126	85
February-----	114	108	90	188	105	121	119	111	127	87
March-----	111	102	90	162	117	114	97	108	127	85
April-----	115	103	105	156	117	117	105	111	127	87
May-----	112	105	98	127	118	107	110	108	127	85
June-----	102	103	100	96	119	99	108	104	127	82
July-----	96	102	98	93	116	96	107	102	126	81
August-----	96	97	87	92	129	98	111	106	126	84

¹ 1910-14=100.

THE TREND OF EXPORT MOVEMENT

Compiled from the Department of Commerce reports by the Foreign Agricultural Service Division of this Bureau.

Year and month (ended Dec. 1)	Wheat, ¹ including flour	Tobacco (leaf)	Bacon, ² hams, and shoulders	Lard ³	Apples (fresh)	Cotton, ⁴ running bales
	1,000 bushels	1,000 pounds	1,000 pounds	1,000 pounds	1,000 bushels	1,000 bales
Total						
1920-----	311,601	467,662	821,922	612,250	5,393	6,111
1921-----	359,021	515,353	647,680	868,942	5,809	6,385
1922-----	235,307	430,908	631,452	766,950	4,945	6,015
1923-----	175,190	474,500	828,890	1,035,382	8,876	5,224
1924-----	241,454	546,555	637,980	944,095	10,261	6,653
1925-----	138,784	468,471	467,459	688,829	10,043	8,362
1926-----	193,971	478,773	351,591	698,961	16,170	8,916
1927-----	228,576	506,252	237,720	681,303	15,534	9,199
1928-----	151,976	575,408	248,278	759,722	13,635	8,546
1929-----	154,348	555,347	275,118	829,328	16,856	7,418
1930-----	149,154	560,958	216,953	642,486	15,850	6,474
1931-----	125,686	503,531	123,246	568,708	17,785	6,849
1932-----	82,118	387,766	84,175	546,202	16,919	8,916
1933-----	26,611	420,418	100,169	579,132	11,029	8,533
1934-----	36,536	418,983	83,725	431,238	10,070	5,753
July:						
1920-----	35,136	42,067	39,908	47,061	47	208
1921-----	30,661	53,156	75,958	83,329	27	595
1922-----	19,308	32,319	59,252	66,058	102	364
1923-----	12,999	44,105	64,264	69,478	103	168
1924-----	7,758	32,521	53,769	86,788	97	203
1925-----	8,944	39,037	35,472	49,414	156	198
1926-----	19,811	29,760	22,457	45,873	226	356
1927-----	12,100	28,229	24,040	46,972	144	372
1928-----	7,193	19,417	25,851	52,940	271	331
1929-----	13,784	23,458	24,647	64,274	167	238
1930-----	16,377	27,195	19,635	51,670	276	176
1931-----	17,454	19,364	11,793	33,824	488	259
1932-----	4,841	25,126	10,587	34,886	457	449
1933-----	1,391	28,828	10,994	36,200	130	692
1934-----	2,168	17,636	11,572	33,466	127	306
1934:						
October---	1,866	61,606	5,335	26,870	634	616
November---	1,936	45,294	7,559	19,739	934	572
December---	1,511	25,652	4,283	16,170	998	505
1935:						
January---	1,257	28,943	5,108	17,667	1,281	466
February---	1,300	23,616	4,158	15,890	1,490	390
March-----	1,500	31,062	5,428	10,636	945	318
April-----	1,281	16,760	5,332	7,193	397	323
May-----	1,426	16,661	7,443	9,740	44	278
June-----	1,195	11,867	6,662	6,877	17	345
July-----	1,231	14,581	6,580	4,915	104	280

¹ Wheat flour is converted on a basis of 4.7 bushels of grain equal to 1 barrel of flour.

² Includes Cumberland and Wiltshire sides.

³ Excludes neutral lard.

⁴ Excludes linters.

THE TREND OF AGRICULTURAL IMPORTS

Year (ended Dec. 31) and month	Cattle, live	Butter	Wheat, grain	Corn, grain	Oats, grain	Sugar, raw ¹	Wool, unmanufactured
	1,000 head	1,000 pounds	1,000 bushels	1,000 bushels	1,000 bushels	1,000 short tons	1,000 pounds
1920-----	379	37,454	35,809	7,784	6,728	4,033	259,618
1921-----	195	18,558	23,286	164	3,565	2,984	320,666
1922-----	238	6,957	22,642	113	1,299	4,861	376,673
1923-----	140	23,741	19,502	203	317	3,855	394,250
1924-----	145	19,405	15,534	4,107	6,964	4,138	268,213
1925-----	175	7,212	13,901	1,086	178	4,460	339,253
1926-----	221	8,029	14,143	1,055	157	4,710	310,266
1927-----	445	8,460	11,754	5,458	85	4,216	267,287
1928-----	536	4,659	18,848	565	489	3,869	244,553
1929-----	505	2,773	14,576	407	112	4,888	280,371
1930-----	234	2,472	19,968	1,556	183	3,495	163,734
1931-----	95	1,882	15,690	618	576	3,176	158,385
1932-----	106	1,014	10,026	344	59	2,971	56,535
1933-----	82	1,022	10,318	160	132	2,874	178,928
1934: ²							
January----	8	58	863	18	6	201	9,637
February----	7	59	734	15	2	132	12,622
March-----	9	45	1,145	17	(³)	196	16,975
April-----	15	55	960	11	4	243	13,567
May-----	6	69	1,005	14	1	326	7,458
June-----	5	74	899	77	7	221	8,003
July-----	4	74	721	24	152	61	7,632
August-----	1	95	1,452	195	27	102	7,046
September----	3	114	3,765	445	210	766	7,567
October-----	1	172	2,335	501	1,087	272	8,850
November----	2	189	2,263	470	1,672	185	4,964
December----	4	249	2,401	1,172	2,412	292	5,074
Total-----	66	1,253	18,542	2,959	5,580	2,997	109,396
1935: ²							
January----	6	539	1,906	1,887	1,644	536	8,583
February----	38	3,070	2,061	1,826	2,118	156	11,964
March-----	53	4,929	2,151	3,305	2,596	230	13,939
April-----	51	8,860	2,706	1,445	2,167	278	15,459
May-----	49	2,665	1,838	3,036	1,124	253	15,778
June-----	34	1,437	1,517	6,122	406	235	15,932
July-----	18	177	1,508	5,649	29	366	18,760

¹ Includes beet sugar. Tons of 2,000 pounds.² General imports prior to 1934; beginning Jan. 1, 1934, imports for consumption.³ Less than 500.

Foreign Agricultural Service Division. Compiled from Foreign Commerce and Navigation of the United States and official records of Bureau of Foreign and Domestic Commerce.

CASH INCOME FROM THE SALE OF FARM PRODUCTS AND RENTAL AND BENEFIT PAYMENTS TO FARMERS

CASH INCOME FROM SALE OF FARM PRODUCTS

	Grains	Cotton and cotton-seed	Fruits and vegetables	All crops	Meat animals	Dairy products	Poultry and eggs	All live-stock and products	Total crops and live-stock
	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars
1934									
August	122	38	74	303	90	102	30	233	536
September	80	136	70	383	106	95	33	240	623
October	62	181	88	438	117	94	37	254	692
November	42	115	62	276	115	89	53	263	539
December	39	79	56	219	108	90	51	254	473
1935									
January	27	44	59	189	125	99	36	261	450
February	26	34	65	157	109	98	38	245	402
March	28	30	75	159	122	102	45	270	429
April	37	18	92	173	124	111	59	295	468
May	40	15	83	160	130	123	66	323	483
June	34	12	70	133	116	122	54	305	438
July	45	11	75	152	120	113	44	299	451
1927	127	20	124	303	174	163	45	411	714
1928	160	20	113	327	181	174	62	449	776
1929	183	14	104	345	222	179	68	501	846
1930	110	8	103	256	168	150	47	388	644
1931	76	7	83	195	115	113	37	281	476
1932	32	6	47	101	80	85	27	200	301
1933	118	26	68	245	96	99	28	251	496
1934	112	21	81	248	92	104	31	254	502
1935	45	11	75	152	120	113	44	299	451

BENEFIT, RENTAL, AND DROUGHT-RELIEF PAYMENTS TO FARMERS NOT INCLUDED IN OTHER SOURCES OF INCOME

	Cotton	Tobacco	Wheat	Sugar beets	Sheep	Corn-hog	Cattle ¹	Total ²
	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars
1934								
May	9	4	1	-----	-----	2	-----	16
June	19	3	1	-----	-----	5	1	29
July	8	1	1	-----	-----	10	10	30
August	6	1	1	-----	-----	38	26	72
September	2	-----	2	-----	-----	47	25	76
October	12	-----	36	-----	-----	28	28	104
November	24	2	25	-----	5	8	9	73
December	12	1	12	-----	2	22	4	53
1935								
January	18	2	6	-----	1	37	6	70
February	10	3	5	3	(³)	28	3	52
March	5	7	4	3	-----	30	1	50
April	2	2	1	4	-----	40	-----	49
May	17	3	3	3	-----	10	-----	36
June	15	5	1	3	-----	6	-----	30

¹ Purchased under drought-relief program.

² Total of all benefit, rental, and drought-relief payments made during month may not check exactly with sum of payments on individual program.

³ Less than \$500,000.

NOTE.—All estimates of income revised from January 1933 to date.